

1 **R277. Education, Administration.**

2 **R277-477. Distribution of Funds from the Interest and**
3 **Dividend Account (School LAND Trust Funds) and Administration**
4 **of the School LAND Trust Program.**

5 **R277-477-1. Definitions.**

6 A. "Board" means the Utah State Board of Education. The
7 Board is the primary beneficiary representative and advocate
8 for beneficiaries of the School Trust corpus and the School
9 LAND Trust Program.

10 B. "Charter Trust Land Committee" means ~~[a committee~~
11 ~~consisting of a majority of parents with students attending~~
12 ~~the school, elected by parents of students currently attending~~
13 ~~the charter school. The committee is designated to make~~
14 ~~decisions about the School LAND Trust funds in conjunction~~
15 ~~with a school plan for enhancing or improving academic~~
16 ~~excellence consistent with Section 53A-16-101.5]~~ the governing
17 board of the charter school consistent with Section 53A-16-
18 101.5.

19 [B]C. "Fall Enrollment Report" means the audited census
20 of students registered in Utah public schools as reported in
21 the audited October 1 Fall Enrollment Report from the previous
22 year.

23 [C]D. "Funds" means interest and dividend income as
24 defined under Section 53A-16-101.5(2).

25 [D]E. "Interest and Dividends Account" means a~~[n]~~
26 restricted account within the Uniform School Fund created
27 under Section 53A-16-101 established to collect interest and
28 dividends from the permanent State School Fund until the end
29 of the fiscal year at which time the funds are distributed to
30 school districts, charter schools and the USDB through the
31 School LAND Trust Program.

32 [E]F. "Local board of education" means the locally-
33 elected board designated in Section 53A-3-101 that makes
34 decisions and directs the actions of local school districts
35 and is directed in Section 53A-16-101.5(5)(b) to approve
36 School LAND Trust plans for schools under the local board's
37 authority.

[F]G. "Most critical academic needs" for purposes of this rule means academic needs identified in the school improvement plan developed in accordance with Section 53A-1a-108.5.

[G]H. "School Children's Trust Section" means employees ~~[designated by]~~ who report to the Superintendent or Superintendent's designee and [who] have responsibilities ~~[for overseeing the use of School LAND Trust Program funds]~~ as outlined in Sections 53A-16-101.5 and 53A-16-101.6.

[H]I. "School community council" means the ~~[geographic area designated by the school district as the attendance area with reasonable inclusion of the parents or legal guardians of additional students who are attending the school]~~ council organized at each school district public school as established in Section 53A-1a-108 and R277-491. The council includes the principal, school employee members and parent members. There shall be at least a two parent member majority.

[I]J. "State Charter School Board (SCSB)" means the board designated under Section 53A-1a-501.5 that has responsibility for making recommendations regarding the welfare of charter schools to the Board and the board that has responsibility to approve School LAND Trust plans for charter schools. The SCSB has primary responsibility to provide training and oversight for charter school School LAND Trust plans.

[J]K. "State Superintendent of Public Instruction (Superintendent)" means the individual appointed by the Board as provided for in Section 53A-1-301(1) to administer all programs assigned to the Board in accordance with the policies and the standards established by the Board.

[K]L. "Student" means a child in public school grades kindergarten through twelve counted on the audited October 1 Fall Enrollment Report of the school district, charter school, or USDB.

[L]M. "USDB" means the Utah Schools for the Deaf and the Blind.

[M]N. "USOE" means the Utah State Office of Education.

R277-477-2. Authority and Purpose.

74 A. This rule is authorized by Utah Constitution Article
75 X, Section 3 which places general control and supervision of
76 the public school system under the Board, by Section 53A-16-
77 101.5(3)(c) which allows the Board to adopt rules regarding
78 the time and manner in which the student count shall be made
79 for allocation of school trust land funds, and by Section 53A-
80 1-401(3) which allows the Board to adopt rules in accordance
81 with its responsibilities.

82 B. The purpose of this rule is to:

83 (1) provide direction in the distribution of interest
84 and dividends from the Interest and Dividends Account created
85 in Section 53A-16-101 and funded in Section 53A-16-101.5(2)
86 through school districts;

87 (2) provide for appropriate and adequate oversight of the
88 expenditure and use of School LAND Trust monies by designated
89 local boards of education, the SCSB, and the Board;

90 (3) provide for:

91 (a) review and monitoring of funds and revenue generated
92 by school trust lands;

93 (b) compliance by councils with requirements in statute
94 and Board rule; and

95 (c) allocation of the monies as provided in Section 53A-
96 16-101.5(3)(c) based on student count.

97 (4) define the roles, duties, and responsibilities of the
98 School Children's Trust Section within the USOE.

99 **R277-477-3. Distribution of Funds - Determination of**
100 **Proportionate Share.**

101 A. Funds shall be distributed to school districts and
102 charter schools as provided under Section 53A-16-101.5(3)(a).
103 The distribution shall be based on the state's total fall
104 enrollment as reflected in the audited October 1 Fall
105 Enrollment Report from the previous school year.

106 B. Each school district and the USOE, with regard to
107 charter schools and the USDB, shall distribute funds received
108 under R277-477-3A to each school within each school district
109 or to each charter school and USDB on an equal per student

basis within a school district.

C. Local boards of education and the USOE may adjust distributions, maintaining an equal per student distribution within a school district for school openings and closures and for boundary changes occurring after the audited October 1 Fall Enrollment Report of the prior year.

D. All school district public [~~non-charter~~] schools receiving funds shall have a school community council as required by Sections 53A-1a-108 and R277-491; funds shall be used to enhance or improve a school's academic excellence consistent with Section 53A-16-101.5. Plans shall be approved by the local board of education. Required school community council-generated plans or programs include:

(1) School Improvement Plan;

(2) School LAND Trust Program;

(3) Reading Achievement Plan (for elementary schools)

(4) Professional Development Plan;

(5) Child Access Routing Plan (for elementary, junior high and middle schools); and

(6) Recommendations regarding school/school district programs and community environment.

E. All charter schools that elect to receive School LAND Trust funds shall have a charter trust lands committee[~~consisting of a majority of parents elected from parents of students currently attending the charter school that is designated to make decisions about the School LAND Trust funds, and a current school plan for enhancing or improving academic excellence consistent with Section 53A-16-101.5 approved by the SCSB for state chartered schools~~].

F. The plan shall be electronically submitted to the USOE on the School LAND Trust Program website.

G. All charter schools shall be considered collectively as a school district to receive a base amount under Section 53A-16-101.5(3)(a)(i).

H. The USDB shall receive the average statewide per pupil amount, multiplied by the audited fall enrollment total, as the USDB annual allocation.

147 I. In order to receive its allocation, a school shall
148 satisfy the requirements of Section 53A-16-101.5(4-7).

149 J. Plans shall include [~~specific~~measurable academic
150 goals, specific steps to meet those goals, measurements to
151 assess improvement and specific expenditures to implement
152 plans[~~that may include purchase of workbooks, textbooks,~~
153 ~~professional development, computer hardware and software,~~
154 ~~library and media supplies, or supplement funding for aides,~~
155 ~~teachers and specialists, and other tools~~] for student
156 academic improvement consistent with Section 53A-16-101.5(5).

157 K. As part of the school plan submission:

158 (1) principals shall provide a signed assurance form
159 affirming that the membership of the school community council
160 and the process used for election and appointment of members
161 to the council was made consistent with Sections 53A-1a-108, [
162 ~~and~~] 53A-16-101.5, and R277-491; and

163 (a) The form shall be scanned and uploaded by principals
164 or school districts to the School LAND Trust website database.

165 (b) The school district shall review the signed principal
166 assurance forms for the schools in their school district and
167 certify that the correct form has been entered, signed and
168 displays the required completed information for each school in
169 the school district. Any school that does not comply shall be
170 noted in the school district certification. The certification
171 shall be completed on the school district page of the School
172 LAND Trust website before school districts may approve school
173 plans for the upcoming school year.

174 (2) [~~A~~]The School LAND Trust plan shall include a record
175 of the vote by the school community council when the school
176 plan was approved including the date of the vote, vote[~~r~~]s
177 for, against, and absent[~~voters~~], consistent with Section
178 53A-16-101.5.

179 (3) A form that includes the names of members of the
180 school community or charter trust land committee shall be
181 signed by members of the council or committee to indicate
182 their involvement in implementing the current School LAND
183 Trust plan and developing the school plan for the upcoming

184 year. The form shall be uploaded to the database by the
185 principal or school district employee.

186 L. In accordance with R277-477-3D, income from the
187 Interest and Dividends Account shall be distributed to school
188 districts, USDB, and charter schools beginning in July each
189 fiscal year based on deposits to the Interest and Dividends
190 Account within the Uniform School Fund from the prior fiscal
191 year.

192 M. If a school chooses not to apply for School LAND
193 Trust Program funds and meet the requirements for receiving
194 funds, the funds allocated for that school shall be retained
195 at USOE and included with the statewide distribution for the
196 following school year.

197 N. Local boards of education or the SCSB shall consider
198 plans annually and may approve or disapprove a school plan.
199 If a plan is not approved, the local board or the
200 [SCSB] chartering entity shall provide a written explanation of
201 ~~[necessary amendments prior to resubmission of the plan]~~ why
202 the plan was not approved and request a revised plan for
203 reconsideration, consistent with Section 53A-16-101.5.

204 O. Local boards shall ensure timely distribution of the
205 funds to schools with approved plans.

206 P. When approving school plans on the School LAND Trust
207 Program website, school district and charter school personnel
208 shall report the meeting date(s) when the local board of
209 education or the SCSB approved the plans.

210 Q. Funds not used in the school approved plan may be
211 carried over by the school to the next school year and added
212 to the School LAND Trust Program funds available for
213 expenditure in that school the following year. Schools shall
214 provide an explanation for any carry over that exceeds one-
215 tenth of the school's allocation in the school plan or report.

216 R. School LAND Trust Program funds shall be focused on
217 the school's most critical academic needs.

218 S. School LAND Trust Program funds shall be focused on
219 implementing a recommended course of action to enhance or
220 improve student academic achievement and implement a component

221 of the school improvement plan focused on the school's
222 identified most critical academic needs, as explained in
223 Section 53A-1a-108.5 and Section 53A-16-101.5(5).

224 T. Examples of successful programs using School LAND
225 Trust Program monies include activities such as:

- 226 (1) credit recovery courses and programs;
- 227 (2) study skills classes;
- 228 (3) college entrance exam preparation classes;
- 229 (4) academic field trips;
- 230 (5) classroom equipment and materials such as flashcards,
231 math manipulatives, calculators, microscopes, maps, books, or
232 student planners;
- 233 (6) teachers and teacher aides;
- 234 (7) professional development directly tied to school
235 academic goals;
- 236 (8) student focused educational technology;
- 237 (9) books and textbooks.

238 U. Examples of programs or activities ~~[not]~~ ineligible
239 for ~~[funding using]~~ School LAND Trust Program ~~[monies]~~ funding
240 include ~~[plans to improve]~~ school climate, ~~[provide]~~
241 security, ~~[address]~~ behavior ~~[all issues]~~, ~~[prevent]~~ bullying
242 prevention, ~~[install permanent auditorium]~~ audio- visual
243 systems in non-classroom locations, non-academic field trips,
244 food and drink for council meetings or parent nights, printing
245 and mailing costs for notices to parents, office
246 administrative costs, athletic or intermural programs, and
247 programs that initiate or support other non-academic school
248 ~~[needs]~~ purposes.

249 V. Schools serving students with disabilities may use
250 funds as needed to directly influence and improve student
251 performance according to the student Individual Education
252 Plans (IEPs), consistent with R277-491-6E.

253 W. The School Children's Trust Section of the USOE shall
254 create and electronically post training and support materials
255 for school community councils, charter ~~[school]~~ trust land
256 committees and local school boards.

257 X. Funds from the School LAND Trust Program that are

258 expended inconsistent with the requirements and academic
259 intent of the law, inconsistent with R277-477 or R277-491[~~7~~
260 ~~or~~] and inconsistent with the school board/charter board
261 approved plan [~~may~~] shall be reduced or eliminated by the Board
262 in subsequent years[~~until the misappropriated funds have been~~
263 ~~restored~~].

264 Y. The Board may recommend that School LAND Trust
265 Program funds be reduced or eliminated if the school has
266 failed to comply with Section 53A-1a-108 in the election or
267 appointment of school community council members.

268 Z. Public [~~S~~] schools [~~serving only youth in custody may~~
269 ~~form committees and submit plans to the district serving the~~
270 ~~students. Youth in custody schools shall receive the same per~~
271 ~~pupil distribution as other schools in the district providing~~
272 ~~services]~~ that are secure facilities, juvenile detention
273 facilities, hospital program schools, and other small special
274 programs may receive School LAND Trust funds available to
275 schools with a school community council if they demonstrate
276 and document a good faith effort to recruit council members,
277 have meetings and publicize results as recognized and affirmed
278 by local boards of education.

279 AA. Plans submitted by charter schools shall be
280 prepared, submitted and approved by the charter [~~school~~] trust
281 land committee established in R277-470-11, [~~requiring a~~
282 ~~majority of elected parents to serve on the committee,~~] and
283 then submitted first to the local charter school board, then
284 to the local board of education for approval, if the school is
285 chartered by the school district, or to the SCSB if the school
286 is chartered by the Board.

287 BB. Plans submitted by the USDB governing board shall be
288 reviewed and approved by the State Superintendent or designee.

289 CC. A designated amount [~~approved by the Board~~
290 ~~of~~] appropriated by the Legislature from the Interest and
291 Dividends Account [~~may~~] shall be used to fund the
292 administration of the program [~~by~~] and other duties outlined in
293 this rule, Sections 53A-16-101.5 and 53A-16-101.6 of the
294 School Children's Trust Section.

295 DD. Any unused balance initially allocated for School
296 LAND Trust Program administration shall be deposited in the
297 Interest and Dividends Account for future distribution to
298 schools in the School LAND Trust Program.

299 **R277-477-4. Administration of School LAND Trust Program.**

300 ~~[A. The School Children's Trust Section of the USOE shall~~
301 ~~provide support to local boards of education, to the SCSB and~~
302 ~~to local charter trust land committees, as directed by the~~
303 ~~Superintendent.]~~

304 ~~—— B. The School Children's Trust Section shall report~~
305 ~~directly to the Superintendent or the Superintendent's~~
306 ~~designee. Staff in the School Children's Trust Section may~~
307 ~~include individuals who:~~

308 ~~—— (1) possess professional qualifications and expertise~~
309 ~~pertinent to the purposes and activities of the trust;~~

310 ~~—— (2) possess professional qualifications in areas~~
311 ~~specifically related to the trust such as trust law, finance,~~
312 ~~real estate, and energy development;~~

313 ~~—— (3) may or may not have experience in public schools and~~
314 ~~may or may not hold an educator license.]~~

315 ~~—— C. The School Children's Trust Section shall advise and~~
316 ~~assist the Board and the Superintendent in:~~

317 ~~—— (1) representing the current and future beneficiaries of~~
318 ~~the common school trust, Institution for the Blind trust, and~~
319 ~~School for the Deaf trust to the School and Institutional~~
320 ~~Trust Lands Administration (SITLA), the State Treasurer, and~~
321 ~~the Utah Attorney General by providing oversight as directed~~
322 ~~by the Superintendent or the Superintendent's designee.]~~

323 A. There is established a School Children's Trust Section
324 within the USOE. The Section staff shall protect current and
325 future beneficiary rights and interests in the trust
326 consistent with the state's perpetual obligations under the
327 Utah Enabling Act, the Utah Constitution, state statute and
328 standard trust principles described in Section 53C-1-102.

329 B. The Board appoints the director of the School Children's
330 Trust Section, in accordance with Section 53A-16-101.6.

331 C. Under the direction of the Superintendent, the Section
332 staff shall:

333 (1) promote productive use of school and institutional
334 trust lands;

335 (2) provide representation, advocacy, and information:

336 (a) on behalf of current and future beneficiaries of the
337 trust, school community councils, schools, and school
338 districts;

339 (b) on federal, state and local land decisions and
340 policies that affect the trust;

341 (c) to the School and Institutional Trust Lands
342 Administration, the School and Institutional Trust Lands Board
343 of Trustees, the Legislature, the state treasurer, the
344 attorney general, the public, and other entities as determined
345 by the section.

346 (3) provide independent oversight on the prudent and
347 profitable management of the trust and report annually to the
348 Board and the Legislature;

349 (4) provide information requested by a person or entity
350 described in R277-477-4B(2)(c);

351 (5) provide support to local boards of education, to the
352 SCSB and to local charter trust land committees, as direct by
353 the Superintendent;

354 (6) advise and assist the Board and the Superintendent,
355 as requested, in[

356 ~~——(2)]~~ informing and providing support or support services
357 to school community councils, schools, school districts, and
358 other education groups to advocate on behalf of public
359 education on federal, state, and local land decisions and
360 policies as they affect school funding and the long term
361 growth of the permanent State School Fund as directed by the
362 Superintendent or the Superintendent's designee.

363 D. Support services shall include:

364 (1) Regional training and, as requested and to the extent
365 of resources available, school district or school training for
366 school community councils;

367 (2) Training materials to support school community

368 councils in creating and reviewing school improvement plans,
369 School LAND Trust plans, reading achievement plans,
370 professional development plans, and child access routing plans
371 for both elementary and secondary schools.

372 (3) Providing ~~[M]~~materials, suggested practices and plans
373 for use by community councils and charter~~[-school]~~ trust land
374 committees to:

375 (a) increase community and parent awareness and knowledge
376 of community councils;

377 (b) increase community and parent knowledge about school
378 trust lands and their history and purpose in generating funds
379 for public schools;

380 (c) encourage parent participation in developing plans
381 for local board approval for the use of School LAND Trust
382 allotments.

383 ~~[E.]~~ (4) ~~[The School Children's Trust Section shall~~
384 ~~m]~~Monitoring development of School LAND Trust plans and assist
385 local community councils and charter~~[-school]~~ trust land
386 committees with plan development as requested, and monitor
387 expenditures and compliance with statutory requirements.
388 Assistance/monitoring may include providing:

389 (~~[1]~~)a) timely notification of annual School LAND Trust
390 allotments to public schools;

391 (~~[2]~~)b) clear and timely notification of required
392 timelines for plan submission;

393 (~~[3]~~)c) periodic, cost-effective and scheduled review of
394 submitted school plan consistency and plan expenditures and
395 results;

396 (~~[4]~~)d) ~~[verifying]~~web postings and other information
397 regarding school community council and charter~~[-school]~~ trust
398 land committees~~[-compliance with the Utah Public and Open~~
399 ~~Meetings Act]~~.

400 ~~[F.]~~ (5) ~~[The School Children's Trust Section shall]~~
401 receiv~~[e]~~ing direction from the Superintendent as it provides
402 monitoring and review.

403 ~~[G.]~~ (6) Monitoring and review shall be accomplished
404 primarily through:

405 (a) written/electronic assurances from school community
406 councils and charter school trust land committees[7];

407 (b) written/electronic submission of information from
408 local school boards and charter schools and random and
409 selective compliance reviews of School LAND Trust
410 expenditures[7];

411 (c) the execution of School LAND Trust plans[7]; and

412 (d) other school community council requirements.

413 [H.] (7) ~~[The School Children's Trust Section shall]~~ A
414 report annually to the Board on compliance review findings and
415 other compliance issues. The Board shall make determinations
416 regarding reduction or elimination of all or a portion of a
417 school's School LAND Trust Program funding in subsequent
418 years, following review and consideration of compliance and
419 financial reviews conducted by the School Children's Trust
420 Section and results of a Legislative Auditor's school
421 community council election review process, and make a report
422 to the Public Education Appropriation Subcommittee.

423 ~~[F.] (8) [The School Children's Trust Section shall, under~~
424 ~~the direction of the Superintendent,]~~ Receiving direction from
425 the Superintendent to provide oversight and expertise
426 regarding the School LAND Trust account and all related
427 activities. Oversight and activities may include:

428 ([1]a) attending meetings where school trust land,
429 permanent fund, and school community council issues are
430 discussed and voted on;

431 ([2]b) providing information to federal, state and local
432 government agencies, the general public, Congress, and the
433 Legislature regarding school trust lands, the trust revenues
434 and expenditure of revenues;

435 ([3]c) reviewing and providing information as
436 representatives of the Superintendent to the Congress,
437 Legislature, boards, state and federal agencies and employees
438 that have responsibility for managing school trust lands,
439 maximizing trust land revenues, and investing the permanent
440 State School Fund prudently;

441 ([4]d) increas[e] ing and strengthening beneficiary

442 monitoring; and

443 ([5]e) other activities or assignments as directed by the
444 Superintendent.

445 [7]E. The president of each local board of education or
446 of each local charter board shall ensure that the members of
447 the board are provided with annual training on the
448 requirements of the School LAND Trust Program. Notice of
449 training shall be provided to the USOE School Children's Trust
450 Section ~~[via email of board minutes identifying training~~
451 ~~information]~~before school districts mark plans as approved on
452 the School LAND Trust website following local board approval.

453 [8]F. A local school board shall comply with Section
454 53A-1a-108(10) and provide required copies of the Utah Code to
455 school community council members.

456 **R277-477-5. Information to USOE.**

457 A. Information on each school's plan to address most
458 critical academic needs shall be completed via the School LAND
459 Trust Program website maintained through the USOE for accurate
460 and uniform reporting.

461 B. To facilitate submission of information by schools,
462 each school board shall establish a ~~[timeline for timely~~
463 ~~submission of information and a]~~school district submission
464 date for the school district schools not later than May 15 of
465 each year.

466 C. Timelines shall allow for school committee
467 reconsideration and editing of the school plan following local
468 board of education or SCSB requested changes.

469 D. USOE staff may visit schools receiving funds from the
470 School LAND Trust Program as directed by the Superintendent to
471 discuss the program, receive information and suggestions,
472 provide training, and answer questions.

473 E. School districts and charter schools wishing to
474 submit information to the School LAND Trust website through a
475 comprehensive electronic plan shall meet the parameters for
476 programming and data entry required by the USOE. They shall
477 review School LAND Trust plans on the USOE website prior to

478 local board of education or SCSB approval to ensure
479 information consistent with the law has been downloaded by
480 individual schools into the electronic plan visible on the
481 School LAND Trust Program website.

482 F. Charter school and school district business
483 administrators shall enter financial data relating to the
484 School LAND Trust Program on the School LAND Trust Program
485 website at the time they prepare and submit Annual Program
486 Report (APR) data to the USOE. The appropriate data shall
487 appear in the final reports submitted online by school
488 community councils for reporting to parents as required in
489 Section 53A-1a-108.

490 G. The financial data shall include:

491 (1) the annual distribution received by each school (the
492 sum of the distributions to schools within a school district
493 equals the total distributed to the school district by the
494 USOE);

495 (2) expenditures by category made by each school from
496 revenues received from the School LAND Trust in the prior
497 fiscal year.

498 H. Expenditures made after the close of the fiscal year
499 shall be accounted for as expenditures in the following fiscal
500 year.

501 I. The financial report in each school final report
502 shall be consistent with the narrative submitted by that
503 school community council or charter committee.

504 **KEY: schools, trust lands funds**

505 **Date of Enactment or Last Substantive Amendment:** [~~December 8,~~
506 ~~2011~~]2012

507 **Notice of Continuation:** November 11, 2010

508 **Authorizing, and Implemented or Interpreted Law:** Art X Sec 3;
509 **53A-16-101.5(3) (c) ; 53A-1-401(3)**